

### **Amendments to the Specification**

Please amend the paragraph beginning on page 4, line 31, and ending on page 5, line 13, as follows:

As mentioned above, a number of compression and decompression algorithms can be used by module 240 shown in Figure 2A. By way of example and not by way of limitation, these compression algorithms can include continuous tone prediction algorithms, e.g., LOCO, MED, LINEAR 4, LINEAR 5, and GAP, as the same will be known and understood by one of ordinary skill in the art. Continuous tone prediction algorithms are described, for example, in US Patent number 5,764,374, Seroussi et al. "System and Method for Lossless Image Compression having Improved Sequential Determination of Golomb Parameter." According to various embodiments of the present invention, the pixel predictors can include compression algorithms. That is, a number of compression algorithms can be tracked as to their closeness in predicting pixel values. As will be explained in more detail below, software embodiments are operable to track the closeness of a compression algorithm in predicting an actual pixel value of a pixel being processed and, based on which of the compression algorithms achieved the closest predictions, the software can alternate between the compression algorithms being used in the image compression process. In this manner actual compression algorithms are being referenced and switched as the pixel predictors associated with compressing an image or local section of the image.